



National Association of Federally Impacted Schools

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February 28, 2017

The Honorable Betsy DeVos
Secretary, US Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary DeVos,

Congratulations on your confirmation to serve as the US Secretary of Education.

The National Association of Federally Impacted Schools (NAFIS) serves as the umbrella organization for four subgroups: Military Impacted Schools Association (MISA), National Indian Impacted Schools Association (NIISA), Mid-to-Low LOT Schools (MTLLS), and Federal Lands Impacted Schools Association (FLISA). We are the leaders representing school districts that receive Impact Aid funding. We write to share information about the Impact Aid program, request a meeting with you on March 14, 2017 when we will all be in Washington, DC, and invite you to visit a federally impacted school district.

Our organizations collectively represent the 1,200-plus Impact Aid-recipient school districts nationwide that educate over 10 million students. Impact Aid is the oldest elementary and secondary education program and its purpose is to reimburse school districts for a loss of local revenue due to the presence of non-taxable Federal property such as military installations, Indian Treaty, Trust, or Alaska Native Claims Settlement Act lands, Federal low-income housing facilities, national parks and laboratories. Congress recognized in 1950 that the Federal government had an obligation to help meet the local responsibility of financing public education in these communities. That same recognition holds true today.

Federally impacted school districts educate diverse student bodies, including concentrations of students who are military connected, live on Indian lands or in low-rent housing, or whose parents are Federal employees. Impact Aid funding is efficient and flexible. Each year, congressional appropriations flow directly from the US Department of Education's Impact Aid program office to school districts, bypassing state involvement. Locally elected school board members and appointed district leaders make decisions on how to use these dollars for any general fund purpose. Impact Aid funding is not supplemental. In fact, a significant number of school districts that rely on Impact Aid funding have a minimal local tax base, and without Impact Aid funds they would not have the resources to keep their doors open.

The underlying Federal obligation of Impact Aid, along with its efficiency and flexibility in providing support to federally impacted school districts have long solidified the program's bipartisan support. The Congressional House and Senate Impact Aid Coalitions total nearly 120 members.

THE NAFIS FAMILY

MISA

Military Impacted
Schools Association

NIISA

National Indian Impacted
Schools Association

FLISA

Federal Lands Impacted
Schools Association

MTLLS

Mid-to-Low-LOT
Schools

Funding

Because Impact Aid is a replacement for lost local tax revenue, when Impact Aid funding is stagnant or funding is cut, local taxpayers have to increase their tax burden or students go without. Some states cap tax increases, limiting local revenue from year to year, while other communities can generate only a few thousand dollars annually from the limited taxable property within their boundaries.

The funding situation for federally impacted school districts is bleak. Just four years ago, sequestration forced districts to eliminate staff positions, increase class sizes, reduce professional development, cut bus routes and afterschool programs, delay technology and facility upgrades. Now, funding cuts and stagnation are threatening the solvency of the program's two major funding streams: Basic Support and Federal Properties. We urge you to work with the White House and Congress to prioritize Impact Aid.

Basic Support: Sequestration and stagnant appropriations have significantly eroded the purchasing power (measured by the Learning Opportunity Threshold) of Basic Support payments. The current payout – FY 2013 aside – is at its lowest level in two decades. At the same time, enrollment and education costs annually increase. Additional resources are required to help school districts close the achievement gap – particularly for American Indian and Alaska Native students, as well as ensure school districts have sufficient resources related to culturally relevant curriculum and teacher retention. Education is a quality of life and readiness issue for military families. Special education costs have increased dramatically for some military-connected school districts due to compassionate post assignments, where the special needs population can top 20-percent. **We urge you to request, at a minimum, a \$70 million increase for Basic Support over FY 2017 and FY 2018.**

Federal Properties: This line item has not received an increase since FY 2010. Additional funding would partially offset the cost of newly eligible school districts – including those that become eligible as the Federal Government continues to acquire property; partially offset the higher-payment needed for school districts where the Federal Government continues to take property off the local tax rolls; and ensure there continues to be an equitable distribution of formula dollars. **We urge you to request, at a minimum, a \$4 million increase for Federal Properties over FY 2017 and FY 2018.**

Impact Aid is not supplemental – it is a basic revenue stream that keeps school districts operating. In a recent poll of NAFIS members, we asked what school districts could do with additional Impact Aid funds:

- *Invest in the additional resources needed to provide services to our students regarding social work, **counseling** (drug, alcohol, emotional), and academic assistive services for our struggling students. We are a high-poverty district with struggling students and additional staffing and services would be of great benefit to our students PreK through 12. (NY)*
- *After school **tutoring**, which is necessary for helping our students get the additional time they need on academic skills. This would provide our staff with an option to help students who need one-on-one time to develop skills with guidance. We also need to continue to make sure that our internet connection is consistent and at least up to 10 Mbs so that we can connect to the many resources for **individualized instruction** that are necessary to meet the wide variety of needs in the school. (AK)*
- *Purchase updated buses and **expand routes to reduce student bus times** - students travel many times up to two hours in buses filled to capacity; Extend learning opportunities for students who travel 50 to 70 miles to school. Extend opportunities closer to home (i.e. alternative schools, tutoring services, etc.); Hire social workers to work with at-risk families that hinder students' progress. . . **Enhance career and technical education programs** that serve 60 to 70 percent of our students. . . **Enhance college readiness opportunities** such as campus visits, FAFSA assistance, career programs, etc. (AZ)*

- *With additional funding we can **fund more counseling positions** in our district that are greatly needed, we can offer **more elective classes** at the high school, we can provide **more intervention/tutoring** at every school in district. . . We are a small rural district and our staff is stressed to the max with limited funds and resources to meet the needs of our students and extra funding would help restore a lot of positions that were cut due to financial deficits and ultimately these positions would greatly assist our students. (CA)*
- ***Professional Development** directed at Teachers of English Language Learners and SPED students, **technology**, new teacher training, and purchasing student and teacher resources. (TX)*
- *Provide **before or after school programs** for students (especially students with disabilities) who need Tier 2 and 3 instructional supports that will assist them in meeting the reading and math benchmarks on state assessments. (VA)*

ESSA

As you know, Impact Aid is Title VII of the Every Student Succeeds Act (ESSA). We urge you to continue to provide clarity on ESSA implementation. Our school districts want to do right by students and comply with all Federal requirements, but that necessitates accurate technical assistance and sufficient resources on the part of Federal policymakers and administrators. Specifically, we urge you to re-issue guidance that clarifies school districts that educate American Indian and Alaska Native students may combine various consultation requirements (i.e. the new Tribal consultation requirement, Title VI parent-advisory committee, and Title VII Indian Policies and Procedures) so long as they continue to meet all program requirements. We urge you also to provide clarity on the new military student identifier. The Federal government, states, and school districts are currently operating with different data collection systems and multiple definitions of “military connected” that may cause confusion.

Construction

Federally impacted school districts have limited or no bonding capacity. This justifies why a construction line item has existed in the Impact Aid law since its inception. Federally impacted school districts need adequate resources to address health and safety code violations and capacity issues that come with educating students in buildings that are, in some cases, over 100 years old, as well as to ensure all students have access to 21st century learning environments. Impact Aid construction funds fall far short of the funding need. We urge you to work with Congress and the White House to secure an increase for this line item, including through a one-time infusion of funding through any major infrastructure package. This line item – and the staffing and management capacity that supports it – is already in place to get funding for shovel-ready projects out the door.

Internal Management

The staff in the Impact Aid program office work hard each day to provide great customer service and detailed one-on-one technical assistance to school districts, and ensure funding gets to our school districts in a timely manner. We urge you to prioritize the office’s staffing and internal capacity needs. There are currently several open positions that should be filled as quickly as possible. It is important for the staff to travel throughout the year to see our communities and provide payment and technical updates in person. Our members are excited about the creation of the Electronic Data Count pilot program that will go a long way toward modernizing the application process away from an antiquated paper and pencil system. We are concerned that the technology infrastructure for tracking applications, disbursing funds, and communicating with federally impacted school districts is antiquated. Impact Aid disburses more than \$1 billion directly to school districts; we cannot afford a glitch or inadvertent shutdown in the system. School administrators would greatly benefit from an updated system to

manage their application and payment vouchers that will allow them to track payments and optimize customer service.

Federally impacted school districts cannot afford to lose funding or face another year of stagnant appropriations. Additional investments in Impact Aid are critical to help school districts close achievement gaps, update technology, expand access to early childhood and afterschool programs, integrate culturally-relevant curriculum, replace failing infrastructure, offer competitive salaries to recruit and retain school leaders, and more. We ask you to continue to view Impact Aid as a critical Federal investment in our schools and a tax replacement program for federally impacted communities.

Finally, we strongly encourage you to visit a federally impacted community within six months of your tenure. We can help identify a school district and support your visit. We are proud of our schools and the leadership that school administrators and school board members provide for their diverse student bodies – with all of their challenges and opportunities.

Please have your staff contact Jocelyn Bissonnette (jocelyn@nafisd.org or 202-624-3614) if you are available to meet with us on March 14, 2017. We look forward to working with you on behalf of all federally impacted schools and stand ready to serve as a resource to you and your staff.

Sincerely,



Hilary Goldmann
Executive Director
NAFIS



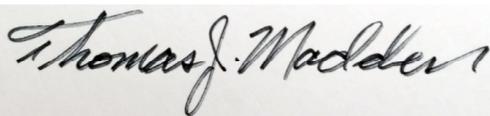
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Cc: Senate and House Impact Aid Coalitions